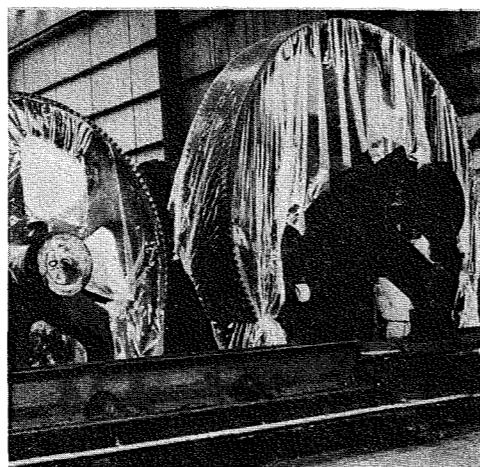
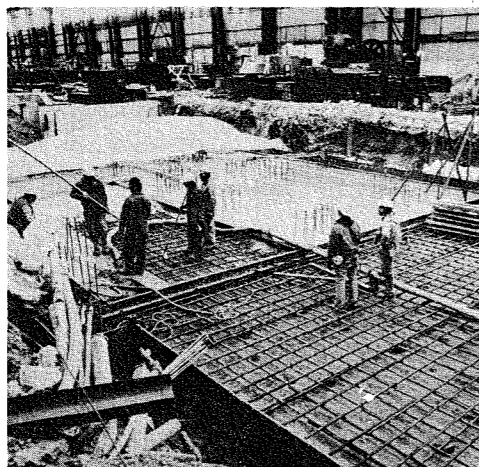


## 14-INCH MILL CONSTRUCTION UPDATE



Although the snow and extreme cold have temporarily stopped construction outside the 14-Inch Mill where new storage and finishing facilities are going up (left photo), work is continuing inside the Mill itself. In the center photo, workmen from the Bob Prophter Construction

Company are pouring 94 yards of concrete for the foundation of the finishing straightener machinery under phase 1 of the construction. At the right, the gears for driving the roughing mill are shown under refurbishing.

## 1978 SUGGESTION SYSTEM REPORT

1978 was a good year for NSW's Suggestion Award System. Ninety-seven employees turned in suggestions—and 24 of them received cash for their "better ideas."

Of the 26 ideas accepted, 15 were Merit Awards which netted the idea men a total of \$775. The other 11 awards were for tangible suggestions. \$2,898 was distributed to the employees who made those suggestions. The Company

paid out a total of \$3,673 for suggestions it put into use last year.

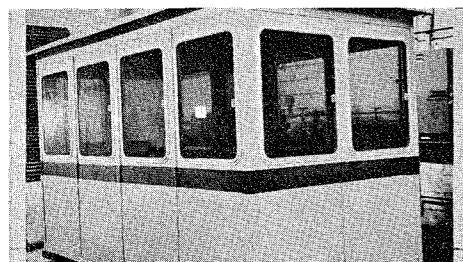
Overall, the estimated first-year savings for the Company from the suggestions used was \$27,820.

The highest award paid in 1978 was \$943. It was split between Pipefitters Donald Kramer and Rick Massey, who suggested replacing the hoses on the press crane.

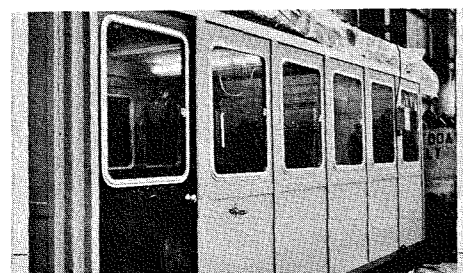
The average award paid per suggestion was \$141 last year, above the national average for suggestion systems. Northwestern adopted 25.7 per cent of the suggestions made by employees. This is the same as the national average.

Suggestion Award System ideas may be submitted to Jim Hale or put into Suggestion boxes located throughout the plants.

## Two New Offices



NSW purchased two new, pre-fabricated offices recently. One cost \$4,300 and will be used for Plant 6 (see photo above). The other (below) cost \$8,500 and will be used as a Shipping Office for the 14-Inch Mill.



## New Assignments

The following Company personnel have received new assignments recently. We offer them our best wishes for continued success.

**William E. Grant** has been appointed 25-inch Mill Billet Yard Turn Foreman.

**Bill Ackert** was promoted to Foreman of the Shipping Department in the 12-inch Mill.

**Robert McKenna** was named Foreman in the 12-inch Mill.

## Best Retirement Wishes

Our best wishes for a happy retirement go to the following Northwestern Steel and Wire Company employees who ended their careers of service as of February 1, 1979.

**Herley I. Witherow, West Plant Cranes, 32 years.**

**Robert W. Hammerstrom, Electrical, 28 years.**

**William T. Pillars, Nail Dept., 25 years.**

**Laverne E. Kested, 20-Inch Mill, 24 years.**

**Walter Bachman, 12-Inch Mill, 24 years.**

## SAFETY GLASSES SAVE EYESIGHT

Marty Lawson, an NSW Pipefitter for the past 28 years, has always been safety minded. He made sure he wore the proper safety equipment—especially his safety glasses.

Those safety glasses are what saved his eyesight recently when he was near a freak boiler accident. Although the lenses broke, his safety glasses prevented possible serious injury to his eyes.



# The Lightning Bolt

NORTHWESTERN STEEL AND WIRE COMPANY · STERLING, ILLINOIS 61081

## THE SNOW LOOKED NICE, BUT IT DID CAUSE PROBLEMS

Snow is beautiful when it first begins to fall. Once it hits the ground, however, it's a totally



Because of the amount of snow which fell this winter, parking is rather hard to find around NSW's office area. The sign on the wall of the print shop just points out the obvious, in this case.



The shipping and receiving docks at Plant 1 were among the first to be plowed out after the disastrous blizzard of January 12 and 13.

## THOUGHTS ON OUR 100th ANNIVERSARY

In such a competitive industry as ours, there are few companies that survive for 100 years, let alone prosper as Northwestern Steel and Wire Company has done.

That takes a certain unusual combination of good management, good luck and especially good employees. Our success is due, in part, to our employees. And so, as our 100th anniversary is upon us, just what do our employees think about this grand event?

**Lawrence Smith**, a 40 year veteran, has one word for the Company: "Good." "That's the only word I can think of right

(Continued on page 2)

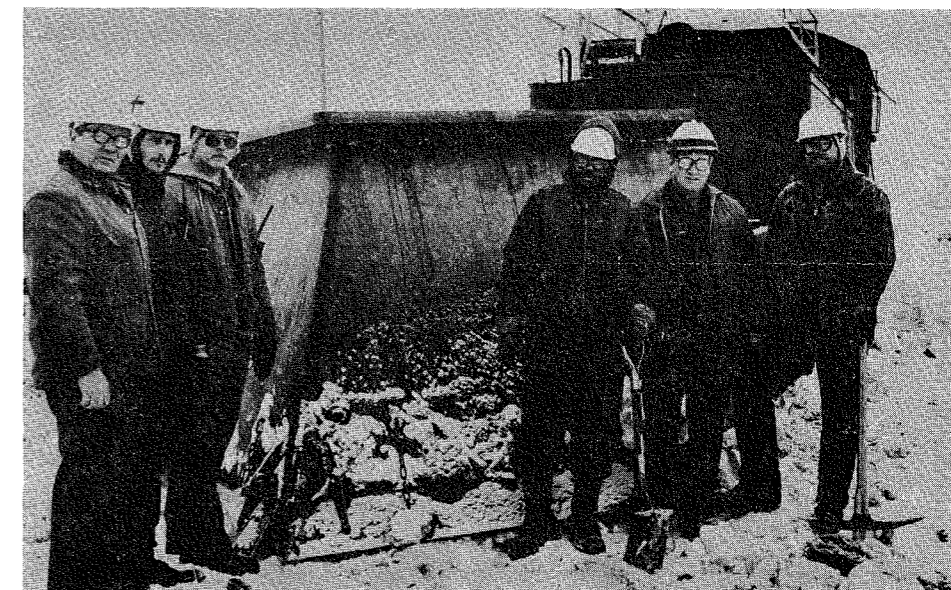
different story.

At Northwestern Steel and Wire, the snow meant much hard work in order to clear our railroad tracks, streets, shipping docks and parking areas for all six of our plants as well as the Company offices.

When it became apparent that the January 12 and 13 snowfall would be more than the few inches predicted, the Company swung into action. Employees with small-blade snow plows were called in to help clear the parking lots so their fellow workers would have a spot to park when they came in. Outside contractors with heavy equipment were put to work cleaning off the roads to our plants and the switching yard tracks and hauling off the piles of snow. (There was so much snow falling that space to put it all was hard to find.)

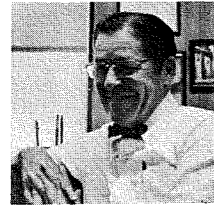
NSW would like to thank those employees who made the effort to come to work during the blizzard and give a real pat on the back to those who worked hard to help us get through the storm. (Some of our people worked long hours to help us clear our tracks and streets so other employees and suppliers could get to us.)

The entire effort was expensive, though. There are other costs besides the money spent to remove the snow. Our production, shipping and receiving schedules were totally disrupted. And, unfortunately, we can't recoup the sales lost by not having merchandise on hand. But, if we all work together as a team, we can cut the losses caused by this act of nature and get all our schedules "back on track."



It's easier than ever before to clear the snow drifts blocking the Company railroad tracks—thanks to the efforts of Northwestern's Track Crews and a new snow plow designed and built in 16 hours at our Weld Shop, where it was immediately attached to a locomotive and sent to clear the drifts on our tracks; including (from left to right): Lyle Partridge, Superintendent of Yards; Bill Gwinn, Switchman; Dave Pletch, Switchman Helper; Arthur William, Trackman; Gene Genslinger, Foreman, and Larry VanDrew, Trackman. William and VanDrew are also commended for working extra hours to help us fight the snow.

**THE PRESIDENT'S CORNER**



On February 28, 1979, our company will officially celebrate our 100th Anniversary. Growth and prosperity may seem common at Northwestern today, but most of our first century consisted of one struggle after another. Periods of prosperity and growth were tough to achieve.

In the beginning, Northwestern Barb Wire Company employed 10 barb wire makers, and gradually during the early years, developed a list of customers who appreciated our high quality & low prices.

Soon my grandfather, Washington M. Dillon, expanded the product line to include nails, bale ties, and other fencing products. Wash and his small company worked night and day at the plant to improve service, improve quality and to lower our manufacturing costs.

When Washington Dillon died in 1920, the management of the mill was already firmly in the hands of his son, Paul Dillon. Soon, under P.W.'s aggressive leadership, Northwestern was melting steel in two tiny 10-ton electric furnaces, and was producing billets and making rods. These capital improvements were risky in the 1930's, but they were necessary if we wanted to stay in the steel business.

The next major expansion took place in the early 1950's and this farsighted venture added the basic facilities that generate over 70% of the tons we ship to our customers today.

New mills and furnaces have come and gone, and so have fires, wars, floods, strikes, and business ups and downs. But P.W. and I have never given up the idea that our costs cannot be reduced again and again.

As we enter our centennial year, unfortunately, our company must end the production of woven ornamental lawn fence and also our entire line of gates. Why? Our

**THOUGHTS ON OUR 100th ANNIVERSARY**

(Continued from page 1)

now," he said. "NSW has been good to me and good to my family. I, my brother and my wife will have 100 years between us in July. We're part of the Company—and it makes us proud."

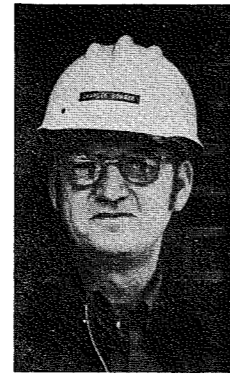
A 28-year veteran, **Louis Mandrell**, agrees. "This Company has helped me raise five kids. Actually, it has provided a living for more than 30 people in my family—my four brothers also work here. And all of us enjoy our work."

**Jim Clark** also shares those sentiments. "I've been with NSW for 26 years—the longest job I've ever held—and I've really made a good living. Sterling and Rock Falls would not be much today without the Mill."

"A vital factor in our community" is how **Charlie Songer** describes Northwestern. "I enjoy it here. It's a good place to work. There's been such an increase in productivity over the 24 years I've been working here that it's simply amazing."

**Eddie DeWitt**, a 29-year veteran, feels that "the growth of the Company is the biggest thing I've seen. I'm glad I'm a part of it. There's real job security here."

"I've seen some rough times in the past both for the Company and myself," said **Bill Fransen**, a 43-year veteran, "but I could never have done better for myself than I did here at Northwestern Steel and Wire Company. I even remember in the late 1930's when the Company had difficulty in making the payroll, but they pulled through."



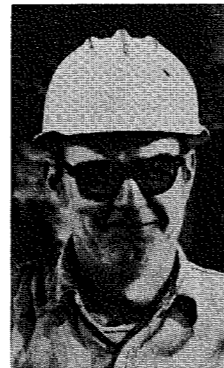
Charlie Songer



Eddie DeWitt



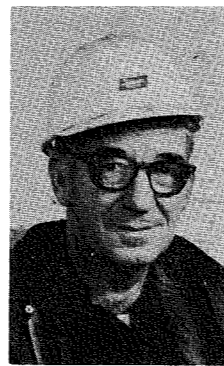
Lawrence Smith



Louis Mandrell



Bill Fransen



Jim Clark

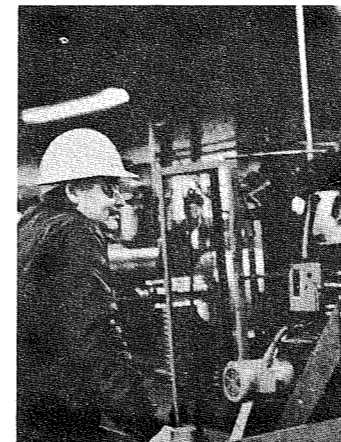
And look at how well the Mill is doing now. Most companies don't even stay in business for 100 years—that's some accomplishment."

**NSW Honors James Frasor**

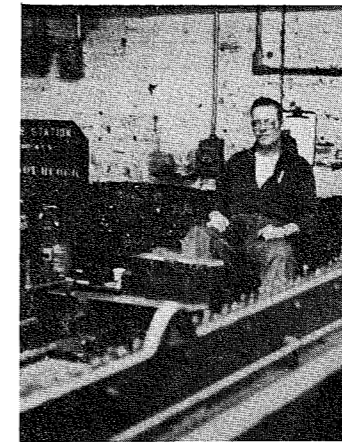


Company President W.M. Dillon presents a testimonial book to Mrs. James Frasor, the widow of our late Vice President of Hot Rolled Sales. The book commemorates and honors Mr. Frasor for his 40 years of service to NSW in various supervisory and executive capacity, including his 15 years as an officer of our Company. The resolution was passed by the Board of Directors last year.

**THE ELECTRO-WELD DEPARTMENT AT WORK**



From left to right are some photos of the people of the Electro-Weld Department at work. General Foreman Gordon Rolofson is shown at the far left. Second from the left is Bill Simmons, Operator of a Welded



Fabric Machine. Second from the right is Re-Mesh Operator Russell Egan, watching the operation of his machine. At the far right is Tractor Operator Kevin Castle.



Northwestern Steel and Wire Company's Electro-Weld Department was hard at work when the snow storm hit in mid-January.

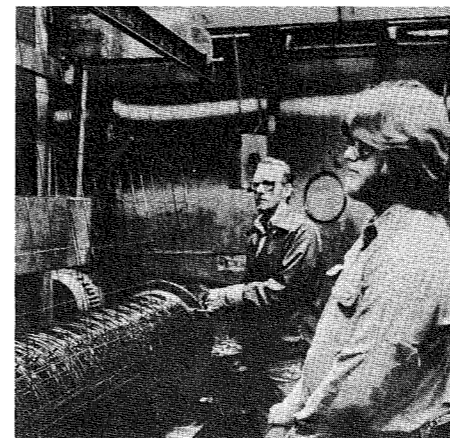
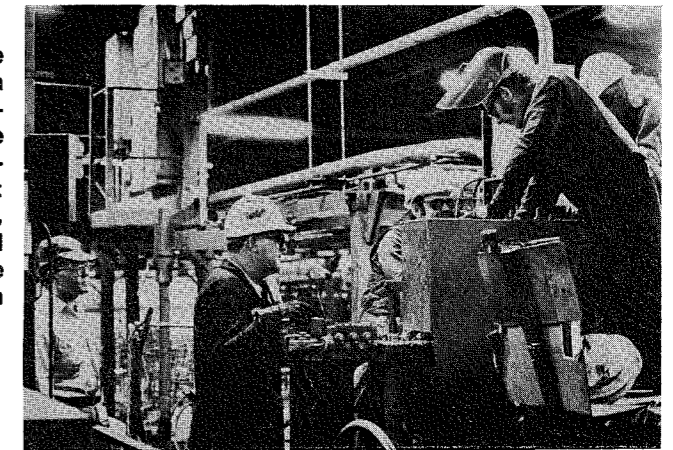
"It hurt us some because it slowed or stopped the rail and truck lines from coming in for their shipments," said General Foreman Gordon Rolofson. "But we had good attendance. I'm proud of those people who did get in during the storm."

The Electro-Weld Department is responsible for fabricating the galvanizing material needed for fencing and reinforcing wire and also makes plain mesh reinforcing wire. At full capacity, 143 people work in this Plant 4 department, putting out thousands of tons of re-mesh monthly.

Some of the key people in the department are Bob Jones, Expeditor and Coordinator, who takes care of scheduling and inventory and Turn Foremen Tom Baker,

Louis Witzleb and Lewis Battles. General Foreman Gordon Rolofson is a 23-year NSW "veteran" who has been in Electro-Weld since 1962.

Operator **Bennie Hicks** (far left) watches a Maintenance crew making a change-over on the Number 5 Electro-Galvanizer. From the left: Adjustor **George Porter**, Shift Electrician **Earl Santee**, Adjustor **Eddie Crow** and Electrician **Steve Grobe**.



Bundler **Ted Holmquest** (foreground) and Baler Operator **Darel Erickson** prepare to take a cut off of the 6x6 10-gauge at one of the department's Re-mesh Machines.

costs are too high! Foreign competition is very tough, but even tougher is the new domestic competition in the south and elsewhere. These competitors' employees do not enjoy the wages and benefits which now average us over \$18.00 per hour. Yes, someone, somewhere will make these products that we can no longer afford to produce.

We all know the simple answer to the challenge of high product cost: increased productivity. How do we get more productivity? We must first work harder and smarter to make a profit. Then, we

must wisely invest these profits in our business. Normally, investments in modern, efficient equipment and facilities have a strong bearing on improvement in productivity.

Competitive pricing, super service, high quality products, adequate profits, and the continued investment in equipment and facilities will all play a big role in preserving our century-long tradition of progress. It won't be easy and we cannot rest on our past performance.

W. M. Dillon